

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services



Medicare Outpatient Therapy Billing





This publication provides information about:

- ❖ Medicare outpatient physical therapy (PT), occupational therapy (OT), and speech-language pathology (SLP) (therapy services) coverage requirements;
- ❖ Calendar years (CY) 2010 and 2011 therapy codes and dispositions;
- ❖ Billing measures for therapy services; and
- ❖ Resources.

COVERAGE REQUIREMENTS

Outpatient therapy services must:

- ❖ Require the skills of a qualified therapist, as described in the Code of Federal Regulations (CFR) at 42 CFR 484.4;
- ❖ Be furnished by a physician, qualified non-physician practitioner (NPP), therapist, or an assistant supervised by a therapist;
- ❖ Be medically reasonable and necessary;
- ❖ Be appropriate in type, frequency, intensity, and duration for the individual needs of the patient;
- ❖ Be furnished while the patient is under a plan of care (POC) certified by a physician or NPP; and
- ❖ Follow other Medicare policies (e.g., those found in the Centers for Medicare & Medicaid Services (CMS) manuals).



CYs 2010 and 2011 Therapy Codes and Dispositions

CURRENT PROCEDURE TERMINOLOGY (CPT)/ HEALTHCARE COMMON PROCEDURE CODING SYSTEM (HCPCS) CODE	DISPOSITION
CPT Codes 97039, 97139, 97799	❖ The Medicare Physician Fee Schedule (PFS) abstract file does not contain a price for these codes. Fiscal Intermediaries or A/Medicare Administrative Contractors (MAC) will obtain the appropriate fee schedule amount from Carriers or B/MACs.
CPT Code 97760	❖ This code should not be reported with CPT code 97116 for the same extremity.
CPT Codes 92605, 92606, 97010, 97602	❖ These codes are bundled with any therapy codes under the PFS. There is no separate payment for these codes regardless of whether they are billed alone or in conjunction with another therapy code.
CPT Codes 96110, 96111	❖ These codes are paid under the Outpatient Prospective Payment System (OPPS) if they are billed by an outpatient hospital department.

CURRENT PROCEDURE TERMINOLOGY (CPT)/ HEALTHCARE COMMON PROCEDURE CODING SYSTEM (HCPCS) CODE	DISPOSITION
CPT Codes 92506, 92507, 92508, 92526, 92597, 92605, 92606, 92607, 92608, 92609, 96125, 97001, 97002, 97003, 97004, 97010, 97012, 97016, 97018, 97022, 97024, 97026, 97028, 97032, 97033, 97034, 97035, 97036, 97039, 97110, 97112, 97113, 97116, 97124, 97139, 97140, 97150, 97530, 97533, 97535, 97537, 97542, 97750, 97755, 97760, 97761, 97762, 97799 and HCPCS Codes G0281, G0283, G0329	<ul style="list-style-type: none"> ❖ These codes are always therapy services, regardless of who performs them, and they always require therapy modifiers: <ul style="list-style-type: none"> • GP for PT; • GO for OT; or • GN for SLP. ❖ See information below concerning always therapy services that must be billed by Skilled Nursing Facilities (SNF).
FOR HOSPITALS: CPT Codes 97597, 97598, 97602, 97605, 97606, 92520 and HCPCS Code 0183T	<ul style="list-style-type: none"> ❖ These codes sometimes represent therapy services, as described below: <ul style="list-style-type: none"> • They are therapy when performed by a qualified therapist; and • In the outpatient hospital, when they are not performed by a qualified therapist, and it is inappropriate to bill under a therapy POC, they are not therapy, but they are: <ul style="list-style-type: none"> • Billed by a hospital subject to the OPPTS for an outpatient service; and • Paid under the OPPTS. ❖ Requirements for other sometimes therapy codes listed below also apply to these codes.
CPT Codes 64550, 90901, 92520, 92610, 92611, 92612, 92614, 92616, 95831, 95832, 95833, 95834, 95851, 95852, 95992, 96105, 96110, 96111, 97532, 97597, 97598, 97602, 97605, 97606 and HCPCS Codes 0019T, 0183T	<p>These codes sometimes represent therapy services, as described below:</p> <ul style="list-style-type: none"> ❖ They always represent therapy services (limited when limits are in effect) and require therapy modifiers when the service is: <ul style="list-style-type: none"> • Performed by or, where allowed, under the supervision of therapists; or • Furnished by other qualified personnel and the service provided is integral to an outpatient rehabilitation therapy POC; and ❖ They do not represent therapy services, and therapy limits (when in effect) will not apply when: <ul style="list-style-type: none"> • It is not appropriate to bill the services under a therapy POC; and • They are billed by practitioners (physicians, clinical nurse specialists, nurse practitioners, and psychologists) who are not therapists; or • They are billed to A/MACs by hospitals for outpatient services furnished by non-therapists.
FOR SNFs: CPT Codes 64550, 90901, 92520, 92610, 92611, 92612, 92614, 92616, 95831, 95832, 95833, 95834, 95851, 95852, 96105, 96110, 96111, 97532, 97597, 97598, 97602, 97605, 97606 and HCPCS Codes 0019T, 0183T	<ul style="list-style-type: none"> ❖ These codes always represent therapy services, regardless of who performs them. ❖ SNFs must always bill for these services.



Billing Measures for Therapy Services

THERAPY SERVICE	CORRECT CPT BILLING FOR OUTPATIENT THERAPY SERVICES
Codes Requiring One-on-One Patient Contact (examples are in the CPT code range 97032 – 97755, all evaluations and re-evaluations)	<p>Never count the same minutes for:</p> <ul style="list-style-type: none"> ❖ Group therapy and any other service; ❖ Evaluation or re-evaluation and any other service; ❖ Services of any two therapists and/or assistants to the same patients; or ❖ Any individual (one-on-one) or constant attendance service with any other service. <p><i>Note that evaluation and treatment may be counted on the same day – for different minutes.</i></p>
8 Minute Rule for Timed Codes – One Service	<ul style="list-style-type: none"> ❖ For services billed in 15-minute units, count the minutes of skilled treatment furnished. ❖ 7 minutes or less of a single service is not billable. ❖ 8 minutes or more of a single service is billable as 1 unit or an additional unit if the prior units were each furnished for a full 15 minutes: <ul style="list-style-type: none"> • 8 – 22 minutes = 1 unit; • 23 – 37 minutes = 2 units; and • 38 – 52 minutes = 3 units.

THERAPY SERVICE	CORRECT CPT BILLING FOR OUTPATIENT THERAPY SERVICES
Counting Minutes for Timed Codes and Multiple Services	<ul style="list-style-type: none"> ❖ Add the total minutes for all timed services, and do not bill more units than the total would allow if they were all the same service: <ul style="list-style-type: none"> • 24 minutes of neuromuscular reeducation (CPT code 97112), plus 23 minutes of therapeutic exercise (CPT code 97110) = 47 minutes total timed code treatment. You may bill 3 units for 38 – 52 minutes. Bill 2 units for the 24 minute code and 1 unit for the 23 minute code. ❖ Any service furnished for 15 minutes must be billed for 1 unit (or 2 units for 30 minutes, etc.): <ul style="list-style-type: none"> • 33 minutes of therapeutic exercise (CPT code 97110), plus 7 minutes of manual therapy (CPT code 97140) = 40 minutes. You may bill 3 units. You must bill 2 units of CPT code 97110 (30 minutes). The last unit represents 3 minutes of CPT code 97110 and 7 minutes of CPT code 97140. Bill the code with most minutes for that unit, which is CPT code 97140. ❖ You may not be able to bill for all services if they are brief: <ul style="list-style-type: none"> • 18 minutes of therapeutic exercise (CPT code 97110), plus 13 minutes of manual therapy (CPT code 97140), plus 10 minutes of gait training (CPT code 97116), plus 8 minutes of ultrasound (CPT code 97035) = 49 minutes. You may bill for 3 units. You must bill CPT code 97110, which exceeds 15 minutes, for 1 unit. Bill 1 unit each for the 2 units with most remaining minutes and do not bill for CPT code 97035 (but document it). ❖ Additional examples can be found in the Medicare Claims Processing Manual (Pub. 100-4), Chapter 5, Section 20.2.
Group and Individual (One-on-One) Services Provided to the Same Patient on the Same Day	<ul style="list-style-type: none"> ❖ Both CPT and CMS rules must be met. ❖ Group therapy sessions must be clearly distinct or independent from other services and billed using a -59 modifier. Group therapy CPT code 97150 is used for all group PT and OT and for group SLP dysphagia services. Also, SLPs use 92508 for group speech-language and auditory processing services. ❖ The direct one-on-one 15-minute codes for therapeutic procedures (e.g., CPT codes 97110 – 97542) are subject to Medicare’s National Correct Coding Initiative, which require group therapy and one-on-one therapy to occur in different sessions, timeframes, or separate encounters that are distinct or independent from each other when billed on the same day.

THERAPY SERVICE	CORRECT CPT BILLING FOR OUTPATIENT THERAPY SERVICES
<p>Individual or Group Therapy – When Two Patients are Treated During the Same Time Period</p>	<ul style="list-style-type: none"> ❖ When direct one-on-one patient contact is provided: <ul style="list-style-type: none"> • Bill for individual therapy for timed codes. • Count total minutes of service to each outpatient individually in order to determine how many units of service to bill for each patient. These minutes may occur continuously or in notable time periods; however, each direct one-on-one treatment should be of a sufficient length of time to provide the appropriate skills in accordance with each patient's POC. • The medical record should clearly distinguish individual treatment from care provided simultaneously to two or more patients. ❖ In contrast, outpatient group therapy consists of simultaneous treatment to two or more patients who may or may not be doing the same activities: <ul style="list-style-type: none"> • Attention may be divided among the patients (e.g., the same instructions are given to two or more patients at the same time and/or only brief, intermittent personal contact is provided). • Each patient is billed 1 unit of group therapy using the appropriate CPT code (97150 or 92508 - untimed). Group therapy CPT codes can be billed only once each day per patient: <ul style="list-style-type: none"> ◦ In therapist private practice settings; ◦ In physician offices where therapy services are provided incident to the professional services of a physician; and ◦ In Comprehensive Outpatient Rehabilitation Facilities, Rehabilitation Agencies (Outpatient Rehabilitation Facilities), and Home Health Agencies when the patient is not under a home health POC. • These policies may apply when the services are provided in a SNF therapy setting, but are billed as outpatient services for a Part B service. • In SNF settings, group CPT codes could be applied more than once daily and require documentation that supports medical necessity and clinical appropriateness. • In other facilities, or inpatient parts of facilities, there may be different definitions for group and individual, as described below.
<p>Supervising Patients Independently Performing a Therapeutic Exercise Program</p>	<ul style="list-style-type: none"> ❖ A therapist cannot bill for therapy services when a patient is independently performing a therapeutic exercise program, as independent exercise is not considered a skilled service, regardless of the supervision of the therapist or assistant.

THERAPY SERVICE	CORRECT CPT BILLING FOR OUTPATIENT THERAPY SERVICES
Team Therapy for One or More Patients	<ul style="list-style-type: none"> ❖ When therapists or therapists and assistants work as a team to treat patients (either individual patients or groups): <ul style="list-style-type: none"> • They cannot each bill separately for the same service; • They cannot bill for different services provided at the same time to the same patient; and • The therapist bills only for the therapist's service. ❖ When two therapists work together: <ul style="list-style-type: none"> • They may split the minutes for timed codes and each bill for part of the treatment minutes, but they may not both bill timed codes for the same minutes.
Outpatient Therapy Caps	<ul style="list-style-type: none"> ❖ The Affordable Care Act of 2010 extends through December 31, 2010, the exception process for therapy claims reaching the annual cap; and ❖ Affected providers may submit claims for exceptions to the annual therapy caps, with dates of service January 1, 2010, through December 31, 2010, using the KX modifier.
THERAPY SERVICE	BILLING FOR THERAPY SERVICES IN FACILITIES
Group Therapy for SNF Patients	<ul style="list-style-type: none"> ❖ When a therapist works simultaneously with two or more residents: <ul style="list-style-type: none"> • The following regulations apply to SNF Part A: <ul style="list-style-type: none"> ◦ Patients must be performing similar activities; ◦ The group is limited to 2 – 4 residents, regardless of payer source; and ◦ The SNF is paid as part of the bundled PPS; and • The following regulations apply to SNF Part B: <ul style="list-style-type: none"> ◦ Patients can perform similar or different activities; ◦ The group number is not limited; ◦ The SNF must bill the services under SNF Consolidated Billing (CB) requirements; ◦ The SNF is paid under the PFS; and ◦ Services that would be defined as concurrent in Part A are either group or individual, but not concurrent, in Part B.
Group Therapy for Inpatient Rehabilitation Facilities (IRF)	<ul style="list-style-type: none"> ❖ Group therapies can be counted toward the intensity of therapy requirement in the IRF if: <ul style="list-style-type: none"> • The situation/rationale that justifies their use for the benefit of the patient is well-documented in the IRF medical record; and • Their use does not represent the preponderance of therapies provided to the patient.
Concurrent Therapy for SNF Patients Only	<ul style="list-style-type: none"> ❖ Concurrent services are only defined for SNF Part A settings and no other settings. ❖ When a therapist treats a resident whose SNF stay is covered by Part A and treats one other resident, regardless of payer source, at the same time and the two residents are not performing the same or similar activities, the SNF is paid as part of the bundled PPS.

Resources

THERAPY SERVICES

<http://www.cms.gov/TherapyServices>

OUTPATIENT THERAPY CAPS

CMS Website:

<http://www.cms.gov/TherapyServices>

Contractors' Websites:

http://www.cms.gov/MLNGenInfo/30_contactus.asp

IRF PPS

http://www.cms.gov/InpatientRehabFacPPS/04_Coverage.asp

MLN MATTERS ARTICLE – SNF CB (AS IT RELATES TO THERAPY SERVICES)

<http://www.cms.gov/MLNmattersArticles/downloads/SE0518.pdf>

INTERNET-ONLY MANUALS:

Medicare Benefit Policy Manual, Chapter 15 (Pub. 100-2)

<http://www.cms.gov/manuals/Downloads/bp102c15.pdf>

Medicare Claims Processing Manual, Chapters 4 and 5 (Pub. 100-4)

<http://www.cms.gov/manuals/downloads/clm104c04.pdf>

<http://www.cms.gov/manuals/downloads/clm104c05.pdf>

CFR

<http://www.gpoaccess.gov/cfr/index.html>

CPT CODES

<http://www.ama-assn.org/ama/pub/physician-resources/solutions-managing-your-practice/coding-billing-insurance/cpt.shtml>

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